

Introduced by Senator Johannessen

February 28, 1997

An act to amend Section 989.5 of the Military and Veterans Code, relating to the veterans, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1138, as introduced, Johannessen. Veterans farm and home purchase program: disasters indemnity fund.

Existing law relating to the Veterans Farm and Home Purchase program requires the Department of Veterans Affairs to maintain an indemnity fund for indemnifying purchasers for the cost of repairing damage in excess of \$250 caused by flood, earthquake, or other perils not otherwise covered by insurance, and requires purchasers electing to participate in the Indemnity Fund to pay a fee in addition to the regular monthly installment. Existing law appropriates this money for the purpose of the fund.

This bill would require that all purchasers participate in the Indemnity Fund. By increasing amounts to be deposited into a continuously appropriated fund, this bill would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 989.5 of the Military and
2 Veterans Code is amended to read:

1 989.5. *All purchasers shall participate in the*
2 *Indemnity Fund.* Purchasers ~~electing to participate in~~
3 ~~the Indemnity Fund~~ shall pay a reasonable charge,
4 prescribed by the department, in addition to the regular
5 monthly installment. Money so collected shall be
6 deposited in the Indemnity Fund.

